



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 1, 2002

H.R. 1946 **Rocky Boy's/North Central Montana Regional** **Water System Act of 2001**

As ordered reported by the House Committee on Resources on September 12, 2001

SUMMARY

H.R. 1946 would direct the Department of the Interior (DOI) to build a water distribution system for the Chippewa Cree Tribe of the Rocky Boy's Reservation and for certain nearby counties in Montana. The bill would authorize the appropriation of \$180 million for the Bureau of Reclamation to plan, design, and construct the water system. In addition, the legislation would authorize the appropriation of such sums as are necessary for the Bureau of Indian Affairs (BIA) to operate, maintain, and replace the portion of the system on the reservation.

Based on information from the DOI, CBO estimates that implementing H.R. 1946 would cost \$184 million over the 2003-2007 period, assuming the appropriation of the authorized amount for the Bureau of Reclamation and necessary amounts for BIA. Enactment of this bill would not affect direct spending or revenues.

H.R. 1946 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The federal assistance authorized by this bill would benefit both the Chippewa Cree Tribe and the North Central Montana Regional Water Authority, and any costs they might incur to comply with the conditions of this assistance would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1946 is shown in the following table. The costs of this legislation fall within budget functions 300 (natural resources and environment) and 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	16	0	0	0	0	0
Estimated Outlays	11	7	6	2	0	0
Proposed Changes						
Estimated Authorization Level	0	180	1	1	1	1
Estimated Outlays	0	81	37	37	28	1
Spending Under H.R. 1946						
Estimated Authorization Level ^a	16	180	1	1	1	1
Estimated Outlays	11	88	43	39	28	1

a. The 2002 level is the amount appropriated for that year for improvements to the Rocky Boy's Reservation water system.

For purposes of this estimate, CBO assumes that the amounts authorized by the bill will be appropriated in fiscal year 2003. Estimated outlays are based on historical spending rates for similar projects. Based on information from DOI, we estimate that operation and maintenance of the portion of the system on the reservation would cost \$1 million annually, beginning in 2004.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1946 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal assistance authorized by this bill would benefit both the Chippewa Cree Tribe and the North Central Montana Regional Water Authority, and any costs they might incur to comply with the conditions of this assistance would be voluntary.

ESTIMATE PREPARED BY:

Federal Costs: Mark Grabowicz

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Cecil McPherson

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis